

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

GENERAL ADJUSTMENT OF ELECTRIC)
RATES OF KENTUCKY UTILITIES)
COMPANY)

CASE NO. 7804

O R D E R

IT IS ORDERED That Kentucky Utilities Company shall file with the Commission by May 16, 1980, the following information. Each copy of the data requested should be placed in a bound volume with each item tabbed. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1 (a), Sheet 2 of 6. Careful attention should be given to copied material to insure that it is legible.

1. a. In comparative form, a total company income statement, a statement of changes in financial position, and a balance sheet for the test year and the twelve-month period immediately preceding the test year.
- b. An income statement (show net income) for the applicant's Kentucky retail operations for the test year.
2. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Clearly identify accounts maintained on a total company basis and accounts maintained on a jurisdictional basis (indicate jurisdiction). Show the balance in each control and all underlying subaccounts per company books.
3. a. The balance in each total company current asset and each current liability account and subaccount included in the applicant's chart of accounts by months for the test year. Additionally, show total current assets, total current liabilities, and net current position (current assets less current liabilities) by months and average (13 month) for the test year. Provide a reconciliation of total company

current assets, current liabilities, and net current position provided in response to the above with the current assets and current liabilities as shown on the total company balance sheet for each month of the test year.

- b. A calculation of total company average (thirteen month) and end-of-period debt, preferred stock, and common equity capital for the test year as shown in Format 3b attached.
 - c. A calculation of the average (thirteen month) and end-of-period long-term debt composite interest and preferred stock costs for the twelve months of the test year. Supporting details underlying calculations should be provided. The average long-term debt composite interest cost is calculated by dividing the sum of the book interest accrued on long-term debt and related amortization of discount, premium, and issuance cost by average long-term debt as calculated in Format 3b column c, line 15.
4. List each general office account (asset, reserve, and expense accounts) covering the twelve months of the test year. Show the amount allocated to each jurisdiction and a calculation of the factor used to allocate each amount. To be done by companies operating in more than one state.
5. The following monthly account balances and a calculation of the average (thirteen month) account balances for the test year for total company electric, Kentucky retail, other retail jurisdictions, and FPC wholesale:
- a. Plant in service (Account 101)
 - b. Plant purchased or sold (Account 102)
 - c. Property held for future use (Account 105)
 - d. Construction work in progress (Account 107)
 - e. Completed construction not classified (Account 106)
 - f. Depreciation reserve (Account 108)
 - g. Plant acquisition adjustment (Account 114)
 - h. Amortization plant acquisition adjustment (Account 115)

1. Materials and supplies (Accounts 151, 154 and applicable portion of 163)
- j. Unpaid for balance in materials and supplies applicable to each account in 5i above*
- k. Unamortized investment credit - Pre-Revenue Act of 1971
- l. Unamortized investment credit - Revenue Act of 1971
- m. Accumulated deferred income taxes
- n. A summary of customer deposits as shown in Format 5n attached
- o. Computation and development of minimum cash requirements
- p. Balance in Accounts Payable applicable to amounts included in utility plant in service*
- q. Balance in Accounts Payable applicable to amounts included in plant under construction*
- r. Short-term borrowings
- s. Interest on short-term borrowings (expense)
6. The cash account balances at the beginning of the test year and at the end of each month during the test year for total company electric, Kentucky retail, other retail jurisdictions, and FPC wholesale.
7. Provide the following information for each item of electric property held for future use at the end of the test year:
 - a. Description of property
 - b. Location
 - c. Date purchased
 - d. Cost
 - e. Estimated date to be placed in service
 - f. Brief description of intended use
 - g. Current status of each project
8. Schedules in comparative form showing by months for the test year and the year preceding the test year the total company balance in each electric plant and reserve account or sub-account included in the applicant's chart of accounts as shown in Format 8 attached.

*

If actual is unavailable, give reasonable estimate.

9. Provide the journal entries relating to the purchase of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since the inception of the company. Also, a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of electric plant, the amortization period, and the unamortized balance at the end of the test year.
10. The detailed work papers showing calculations supporting all accounting, proforma, end-of-period, and proposed rate adjustments in the rate application to revenue, expense, investment, and reserve accounts for the test year and a complete detailed narrative explanation of each adjustment including the reason why each adjustment is required. Explain all components used in each calculation. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.
11.
 - a. A schedule showing a comparison of the balance in the Kentucky retail revenue accounts for each month of the test year to the same month of the preceding year for each revenue account or subaccount included in the applicant's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the first month the full increase was recorded in the accounts. See Format 8.
 - b. A schedule in comparative form showing by months and annually for the test year and the year preceding the test year the balance in each total company retail revenue account or subaccount in the applicant's chart of accounts that requires allocation to the Kentucky retail jurisdiction and the amount applicable to the Kentucky retail jurisdiction. See Format 8.

12.
 - a. A schedule showing a comparison of the balance in each total company electric operating expense account for each month of the test year to the same month of the preceding year for each account or subaccount included in the applicant's chart of accounts. See Format 8.
 - b. A schedule in comparative form showing the total company electric operating expense account balances for the test year and each of the five years preceding the test year for each account or subaccount included in the applicant's annual report (FPC Form No. 1, Pages 417-420). Show the percentage of increase of each year over the prior year.
 - c. A schedule of total company salaries and wages for the test year and each of the five calendar years preceding the test year as shown in Format 12c attached.
 - d. A schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the past five (5) years.
13. The following tax data for the test year for total company electric, Kentucky retail, other retail jurisdictions, and FPC wholesale:
 - a. Income taxes:
 - (1) Federal operating income taxes deferred - accelerated tax depreciation
 - (2) Federal operating income taxes deferred - other (explain)
 - (3) Federal income taxes - operating
 - (4) Income credits resulting from prior deferrals of Federal income taxes
 - (5) Investment tax credit net
 - (i) Investment credit realized
 - (ii) Investment credit amortized - Pre-Revenue Act of 1971
 - (iii) Investment credit amortized - Revenue Act of 1971
 - (6) Provide the information in 13.a(1) through 13.a(4) for state income taxes

- (7) Reconciliation of book to taxable income as shown in Format 13a (7) attached and a calculation of the book Federal and state income tax expense for the test year using book taxable income as the starting point.
 - (8) A copy of Federal and state income tax returns for the taxable year ended during the test year including supporting schedules.
 - (9) Schedule of franchise fees paid to cities, towns, or municipality during the test year including the basis of these fees.
 - b. An analysis of Kentucky other operating taxes as shown in Format 13.b attached.
- 14. A schedule of total company net income per 1000 KWH sold per company books for the test year and the five years preceding the test year. This data should be provided as shown in Format 14 attached.
 - 15. The comparative operating statistics as shown in Format 15 attached.
 - 16. A schedule of total company average electric plant in service per 1000 KWH sold by account per company books for the test year and the five calendar years preceding the test year. This data should be provided as shown in Format 16 attached.
 - 17. A statement of electric plant in service per company books for the test year. This data should be presented as shown in Format 17 attached.
 - 18. a. Provide a detailed analysis of all (jurisdictional) charges booked during the test period for advertising expenditures. This analysis should include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 18a attached and further should show any other advertising expenditures included in any other expense accounts. The analysis should be specific as to the purpose of the expenditure and the expected benefit to be derived.
 - b. Provide an analysis of Account 930 - Miscellaneous General Expenses for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 18b and further provide all detailed working papers supporting

this analysis. As a minimum, the work papers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 18b attached.

- c. Provide an analysis of Account 426 - Other Income Deductions for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 18c, and further provide all detailed working papers supporting this analysis. As a minimum the work papers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$500 provided the items are grouped by classes as shown in Format 18c attached.

- 19. A detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 426. This analysis should indicate the amount of the expenditure, the recipient of the contribution and the specific account charged.

- 20. a. A statement describing the applicant's lobbying activities and a schedule showing the name of the individual, his salary, his organizations or trade associations involved in and all company-paid or reimbursed expenses or allowances and the account charged for all personnel for whom a principal function is that of lobbying, whether it be lobbying on the local, state, or national level.

- b. A schedule showing the test year and the year preceding the test year with each year shown separately the following information regarding the applicant's investments in subsidiaries and joint ventures:

- (1) Name of subsidiary or joint venture
- (2) Date of initial investment

- (3) Amount and type of investment made for each of the two (2) years included in this report.
 - (4) Balance sheet and income statement for the test year and the year preceding the test year. Where only internal statements are prepared, furnish copies of these.
 - (5) Show on a separate schedule all dividends or income of any type received by applicant from its subsidiaries or joint ventures for each of the two (2) year report periods and indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.
 - (6) Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also, indicate the position each officer holds with the applicant and the compensation received from the applicant.
21. a. A schedule showing by month the dollar amount of fuel purchased from affiliated and nonaffiliated suppliers for the test year.
- b. A calculation of the dollar amount paid for fuel purchased each month from affiliated suppliers for the test year.
- c. A calculation showing the average (thirteen month) number of days' supply of coal on hand for the test year and each of the five years preceding the test year (include a copy of all workpapers). Also, include a written detailed explanation of factors considered in determining what constitutes an average day's supply of coal.
22. Provide the following information with regard to uncollectible accounts for the test year and five preceding calendar years (taxable year acceptable) for total company:
- a. Reserve account balance at the beginning of the year
 - b. Charges to reserve account (accounts charged off)
 - c. Credits to reserve account
 - d. Current year provision
 - e. Reserve account balance at the end of the year
 - f. Percent of provision to total revenue

23.
 - a. A listing of nonutility property and property taxes and account where amounts are recorded.
 - b. A schedule for all non-utility property giving a description, the date purchased and the cost.
24. Rates of return in Format 24 attached.
25. Employee data in Format 25 attached.
26. The jurisdictional allocation study for the test year including all applicable work papers.
27. A list of generation units completed or under construction during the test year. This list should include the capacity, actual or estimated total cost, type of fuel to be utilized, and the in service or estimated completion date for each unit.
28. Actual fuel costs for the test year. The costs should be given in total dollars, cents per KWH generated, and cents per MBTU for each type fuel. Data should also be supplied on the actual amounts of each type of fuel used, the numbers of BTU's obtained from each type of fuel, and the KWH generated by each type of fuel.
29. Alternative yearly load forecasts for the 10 years succeeding the test year, summer and winter peaks, based on:
 - a. Present forecasts as anticipated by the Company
 - b. Reasonable assumptions reflecting possible changes in the availability of alternative energy sources (i.e. natural gas, fuel oil, solar power, etc.) actual and projected.
 - c. If a current ten (10) year forecast is not available, provide the most recent forecast and state the reason a ten (10) year forecast is not available.
30. Purchased power costs. These costs should be separated into demand and energy costs. The actual and estimated KW demands and KWH purchased should be included. Indicate any estimates used.

31. Provide an annualization of the operation of any generating units declared commercial during the test year using the Company's estimate of the operation of these units.
32. a. Capital structure at end of each calendar year for the previous ten (10) years.
- b. Capital structure at end of latest available quarter
- c. Capital structure at end of test period
- Item 32a, 32b and 32c should include the following information:
- (1) class of capital
 - (2) amount of each class (\$)
 - (3) ratio of each class to total
 - (4) total capitalization (\$)
33. a. List all outstanding issues of long term debt as of the end of the latest calendar year and at the end of the test period.
- Item 33a should include the following information for each outstanding issue of long term debt:
- (1) Date of maturity
 - (2) Date of issue
 - (3) Amount outstanding (\$)
 - (4) Coupon interest rate (%)
 - (5) Cost rate at issue (%)
 - (6) Cost rate to maturity (%)
 - (7) Bond rating at time of issue (Moody's, Standard & Poor's, etc.)
 - (8) Type of obligation
- b. Provide calculations of embedded cost of long-term debt at the end of each calendar year for the previous ten (10) years. Also provide this calculation for the end of the test period.
34. a. List all outstanding issues of preferred stock as of end of the latest calendar year and at the end of the historical test period. Item 34a should include the following information for each outstanding issue of preferred stock:
- (1) Date of issue
 - (2) Amount sold (\$)

- (3) Amount outstanding (\$)
 - (4) Dividend rate
 - (5) Convertibility features if any
 - (6) Cost rate at issue (%)
 - b. Provide calculations of embedded cost calculations of preferred stock at the end of each of the previous ten (10) years. Also, provide this calculation for the test period.
35. a. Provide a listing of all issues of common stock in the primary market during the most recent ten (10) year period.
- For Item a provide the following information:
- (1) Date of issue
 - (2) Number of shares issued
 - (3) Date of announcement and registration
 - (4) Price per share (net to company) (\$)
 - (5) Book value per share at time of issue (\$)
 - (6) Selling expenses as % of gross issue amount
 - (7) Net proceeds to company
 - (8) Price per share to the public
- b. Provide the following information on a quarterly and yearly basis for the most recent ten (10) year period available, through the latest available quarter. (Item (5) through (7) refer to yearly figures only.)
 - (1) Average number of shares of common outstanding
 - (2) Book value at end of quarter (year)
 - (3) Quarterly (yearly) earnings per share
 - (4) Declared quarterly (yearly) dividend rate per share
 - (5) Rate of return on average common equity
 - (6) Rate of return on year-end common equity
- c. Provide monthly market price figures for common stock for each month during the most recent ten (10) year period. Include the following:
 - (1) Monthly high price
 - (2) Monthly low price
 - (3) Monthly closing price
 - (4) Note all stock splits by date and type and adjust prices accordingly.

36. Provide figures showing computation of fixed charge coverage ratio (SEC Method, PRETAX, including Short Term Debt payments) at the end of each of the 10 most recent prior years.
37. a. In comparative form, a statement showing rates, charges, terms and conditions, and Service Rules and Regulations presently in effect and those which the applicant seeks to place into effect as well as percentage increases (decreases) for each rate or charge.
38. A listing of present or proposed research efforts dealing with the pricing of electricity and the current status of such efforts.
39. Test year revenues for each rate schedule on:
- a. per book rates
 - b. present rates annualized
 - c. proposed rates annualized
40. For the test year submit the following data:
- a. Coincident peak demand for each rate schedule at the time of the summer and winter peaks (system).
 - b. KWH sales and number of bills for each residential rate schedule during the months of the winter peaks (system and Kentucky jurisdictional).
 - c. System peak demand for summer and winter seasons.
 - d. Non-coincident and class peak demands for each rate schedule for the summer and winter seasons (system).
41. What is the date of the last depreciation study prepared by or for your company?
42. What was the interval between the last depreciation study and the next planned study?
- Interval

43. Were the latest depreciation study finding and recommendations:
- adopted completely?
 - adopted with minor exceptions?
 - unaccepted?
 - if not fully adopted, state the recommendations not adopted and furnish reasons.
44. When were the latest depreciation study findings and recommendations implemented?
- Date
45. For purposes of booking depreciation expense to what depreciable plant base does the company apply accrual rates?
- Average of beginning and end-of-year estimated balances.
 - Average of January 1 and July 1 balances.
 - End-of-month plant balances.
 - Other. Explain.
46. If averages of beginning and end-of-year estimated balances are used, are estimated additions revised when actual amounts are known?
47. How is estimated net salvage treated?
- The depreciable plant base is increased or decreased as appropriate.
 - The accrual rate is adjusted to reflect the net salvage percentage of plant original cost.
48. What method is used to allocate total depreciation requirements to accounting periods falling within the asset life span?
- Straight-line method.
 - Compound interest or sinking fund method .
 - Unit of production.
 - Combination of methods. Explain.
49. How are mass property units priced for retirement purposes?
- Actual cost.
 - First in - first out .
 - Moving average cost .
 - Yearly average cost .
 - Average costs for each year or bands of years (state band of years used).
 - Other. Explain.

50. Are company estimates of service life and net salvage determined:
- a. For each unit of property (unit summation for plant groupings (i.e. an entire transmissions line), or by plant location (i.e. a specific compressor station or structure). Explain.
 - b. For each primary plant account or subaccount.
 - c. For plant functional classification only?
 - d. For all system depreciable plant (i.e. a single composite estimate)?
 - e. Other? Explain.
51. Are accrual based on estimates of:
- a. Total service period of the asset(s)?
 - b. Total remaining service period of the asset(s)?
 - c. Average service life for a plant group?
 - d. Average remaining life for a plant group?
 - e. Other? Specify?
52. Are accrual rates based on estimates of:
- a. Historical gross salvage?
 - b. Future gross salvage?
 - c. Average of historical and future gross salvage?
 - d. Historical cost of removal?
 - e. Future cost of removal?
 - f. Average of historical and future of cost removal?

The Commission is aware that some of this requested information could be compiled from information available in the Commission files (i.e. annual reports, monthly reports, filings in previous cases). At the present time, however, the Commission's lack of computer capabilities and the magnitude of the case load leave the Commission no alternative but to request the Company to provide this information. Moreover, until such time as the Commission, who is presently in the first stages of acquiring computer capabilities, is able, the Company may be required to file this or similar data in all rate cases.

Done at Frankfort, Kentucky, this 2nd day of May, 1980.

ENERGY REGULATORY COMMISSION


For the Commission

ATTEST:

Acting Secretary

Kentucky Utilities Company
Commonwealth of Kentucky

Case No. 7804

CALCULATION OF AVERAGE AND END-OF-PERIOD CAPITAL

12 Months Ended January 31, 1980

Line No.	Item (a)	Total Capital ^{1/} (b)	Long-Term Debt (c)	Preferred Stock ^{2/} (d)	Common Stock ^{2/} (e)	Other Capital (f)	Retained Earnings (g)	Total Common Equity (h)
1.	Balance beginning of test year							
2.	1st Month							
3.	2nd Month							
4.	3rd Month							
5.	4th Month							
6.	5th Month							
7.	6th Month							
8.	7th Month							
9.	8th Month							
10.	9th Month							
11.	10th Month							
12.	11th Month							
13.	12th Month							
14.	Total (L1 through L13)							
15.	Average balance (L14 ÷ 13)							
16.	Average capitalization ratios							
17.	End-of-period capitalization ratios							

^{1/} If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.

^{2/} Include premium on class of stock.

Kentucky Utilities Company

Case Number 7804

SUMMARY OF CUSTOMER DEPOSITS

(Ky. Retail)

12 Months Ended January 31, 1980

<u>Line</u> <u>No.</u>	<u>Month</u> (a)	<u>Receipts</u> (b)	<u>Refunds</u> (c)	<u>Balance</u> (d)
1.	Balance beginning of test year			
2.	1st Month			
3.	2nd Month			
4.	3rd Month			
5.	4th Month			
6.	5th Month			
7.	6th Month			
8.	7th Month			
9.	8th Month			
10.	9th Month			
11.	10th Month			
12.	11th Month			
13.	12th Month			
14.	Total (L1 through L13)			
15.	Average balance (L14 \div 13)			
16.	Amount of deposits received during test period			
17.	Amount of deposits refunded during test period			
18.	Number of deposits on hand end of test year			
19.	Average amount of deposit (L15, Column (d) \div L18)			
20.	Interest paid during test period			
21.	Interest accrued during test period			
22.	Interest rate			

Kentucky Utilities Company
Commonwealth of Kentucky

Case No. 7804

COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE
PRECEDING YEAR

Account Title and
Account Number
Test Year
Prior Year
Increase (Decrease)

1st
Month

2nd
Month

3rd
Month

4th
Month

5th
Month

6th
Month

7th
Month

8th
Month

9th
Month

10th
Month

11th
Month

12th
Month

Total

Line No.	Item (a)	12 Months Ended											
		Calendar Years Prior to Test Year										Test Year	
		5th	4th	3rd	2nd	1st							
		Amount (b)	% (c)	Amount (d)	% (e)	Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)	Amount (l)	% (m)

7. Administrative and general expenses (continued):

- (g) Employee pensions and benefits
- (h) Franchise requirements
- (i) Regulatory commission expense
- (j) Duplicate charges-cr.
- (k) Miscellaneous general expense
- (l) Rents
- (m) Maintenance of general plant

8. Total administrative and general expenses l,7(a) through l,7 (m)

9. Total salaries and wages charged expense (l,2 through l,6 + l,8)

10. Wages capitalized

11. Total of salaries and wages

12. Ratio of salaries and wages charged expense to total wages (l,9 ÷ l,11)

13. Ratio of salaries and wages capitalized to total wages (l,10 ÷ l,11)

NOTE: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

Kentucky Utilities Company

Case No. 7804

RECONCILIATION OF BOOK NET INCOME AND FEDERAL TAXABLE INCOME

12 Months Ended January 31, 1980

Line No.	Item (a)	Total Company (b)	Total Company Nonoperating (c)	Operating			
				Total Company Electric (d)	Kentucky Retail (e)	Other Retail Jurisdictions (f)	FPC Wholesale (g)
1.	Net income per books						
2.	Add income taxes:						
3.	A. Federal income tax - Current						
4.	B. Federal income tax deferred - Depreciation						
5.	C. Federal income tax deferred - Other						
6.	D. Investment tax credit adjustment						
7.	E. Federal income taxes charged to other income and deductions						
8.	F. State income taxes						
9.	G. State income taxes charged to other income and deductions						
10.	Total						
11.	Flow through items:						
12.	Add (itemize)						
13.	Deduct (itemize)						
14.	Book taxable income						
15.	Differences between book taxable income and taxable income per tax return:						
16.	Add (itemize)						
17.	Deduct (itemize)						
18.	Taxable income per return						

NOTE: (1) Provide a calculation of the amounts shown on lines 3 through 7 above.

(2) Provide work papers showing the calculation of straight-line tax depreciation and accelerated tax depreciation and all other work papers in support of the calculation of Federal income tax expense.

(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Kentucky Utilities Company

Case No. 7804

RECONCILIATION OF BOOK NET INCOME AND STATE TAXABLE INCOME

12 Months Ended January 31, 1980

Line No.	Item (a)	Operating				
		Total Company (b)	Total Company Nonoperating (c)	Total Company Electric (d)	Kentucky Retail (e)	Other Retail Jurisdictions (f)
						FPC Wholesale (g)
1.	Net income per books					
2.	Add income taxes:					
3.	A. Federal income tax - Current					
4.	B. Federal income tax deferred - Depreciation					
5.	C. Federal income tax deferred - Other					
6.	D. Investment tax credit adjustment					
7.	E. Federal income taxes charged to other income and deductions					
8.	F. State income taxes					
9.	G. State income taxes charged to other income and deductions					
10.	Total					
11.	Flow through items:					
12.	Add (itemize)					
13.	Deduct (itemize)					
14.	Book taxable income					
15.	Differences between book taxable income and taxable income per tax return:					
16.	Add (itemize)					
17.	Deduct (itemize)					
18.	Taxable income per return					

NOTE: (1) Provide a calculation of the amounts shown on lines 3 through 7 above.
(2) Provide work papers showing the calculation of straight-line tax depreciation and accelerated tax depreciation and all other work papers in support of the calculation of Federal income tax expense.
(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

KENTUCKY UTILITIES COMPANY

Case No. 7804

ANALYSIS OF OTHER OPERATING TAXES

12 Months Ended January 31, 1980

(000's)

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (b)	Charged to Other Accounts 1/ (d)	Amount Accrued (e)	Amount Paid (f)
1.	Kentucky Retail:					
	(a) State Income					
	(b) Franchise Fees					
	(c) Ad Valorem					
	(d) Payroll (employers Portion)					
	(e) Other Taxes					
2.	Total Kentucky Retail (L 1 (a) through L 1 (e))					
3.	Other Jurisdictions					
	Total per Books (L 2 and L 3)					

1/ Explain items in this column.

Kentucky Utilities Company

Case Number 7804

NET INCOME PER 1000 KWH SOLD

For the Calendar Year 1975 through 1979

And for the 12 Months Ended January 31, 1980
(Total Company)

(000's)

Line No.	Item (a)	12 Months Ended					Test Year (j)
		Calendar Years					
		Prior to Test Year					
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
1.	<u>Operating Income</u>						
2.	Operating revenues						
3.	<u>Operating Income Deductions</u>						
4.	Operation and maintenance expenses:						
5.	Fuel						
6.	Other power production expenses						
7.	Transmission expenses						
8.	Distribution expenses						
9.	Customer accounts expense						
10.	Sales expense						
11.	Administrative and general expense						
12.	Total (L5 through L11)						
13.	Depreciation expenses						
14.	Amortization of utility plant acquisition adjustment						
15.	Taxes other than income taxes						
16.	Income taxes - Federal						
17.	Income taxes - other						
18.	Provision for deferred income taxes						
19.	Investment tax credit adjustment - net						
20.	Total utility operating expenses						
21.	Net utility operating income						
22.	<u>Other Income and Deductions</u>						
23.	Other income:						
24.	Allowance for funds used during construction						
25.	Miscellaneous nonoperating income						
26.	Total other income						
27.	Other income deductions:						
28.	Miscellaneous income deductions						
29.	Taxes applicable to other income and deductions:						
30.	Income taxes and investment tax credits						
31.	Taxes other than income taxes						
32.	Total taxes on other income and deductions						
33.	Net other income and deductions						

Kentucky Utilities Company

Case Number 7804

NET INCOME PER 1000 KWH SOLD

For the Calendar Year 1975 through 1979

And for the 12 Months Ended January 31, 1980

(Total Company)

(000's)

Line No.	Item (a)	12 Months Ended					Test Year (g)
		Calendar Years					
		Prior to Test Year					
		5th	4th	3rd	2nd	1st	
		(b)	(c)	(d)	(e)	(f)	
34.	<u>Interest Charges</u>						
35.	Interest on long-term debt						
36.	Amortization of debt expense						
37.	Other interest expense						
38.	Total interest charges						
39.	Net income						
40.	1000 KWE sold						

Kentucky Utilities Company

Case No. 7804

COMPARATIVE OPERATING STATISTICS

For the Calendar Years 1975 Through 1979
and the 12-Month Period Ended January 31, 1980

(Total Company)

Line No.	Item (a)	12 Months Ended											
		Calendar Years Prior to Test Year										Test Year	
		5th	4th	3rd	2nd	1st							
		$\frac{\text{Cost}}{\text{(b)}}$	$\frac{\% \text{ Inc.}}{\text{(c)}}$	$\frac{\text{Cost}}{\text{(d)}}$	$\frac{\% \text{ Inc.}}{\text{(e)}}$	$\frac{\text{Cost}}{\text{(f)}}$	$\frac{\% \text{ Inc.}}{\text{(g)}}$	$\frac{\text{Cost}}{\text{(h)}}$	$\frac{\% \text{ Inc.}}{\text{(i)}}$	$\frac{\text{Cost}}{\text{(j)}}$	$\frac{\% \text{ Inc.}}{\text{(k)}}$	$\frac{\text{Cost}}{\text{(l)}}$	$\frac{\% \text{ Inc.}}{\text{(m)}}$

1. Fuel Costs:
2. Coal - cost per ton
3. Oil - cost per gallon
4. Gas - cost per MCF
5. Cost Per Million BTU:
6. Coal
7. Oil
8. Gas
9. Cost Per 1000 KWH Sold:
10. Coal
11. Oil
12. Gas
13. Wages and Salaries - Charged Expense:
14. Per average employee
15. Depreciation Expense:
16. Per \$100 of average gross plant in service

- Line No. Item (a)
17. Purchased Power:
Per 1000 KWH purchased
- 18.

19. Rents:
Per \$100 of average gross plant in service
- 20.

21. Property Taxes:
Per \$100 of average gross (net) plant in service
- 22.

23. Payroll Taxes:
Per average number of employees whose salary is charged to expense
- 24.
25. Per average salary of employees whole salary is charged to expense
26. Per 1000 KWH sold

27. Interest Expense:
Per \$100 of average debt outstanding
- 28.
29. Per \$100 of average plant investment
30. Per \$100 KWH sold

12 Months Ended											
Calendar Years Prior to Test Year											
5th		4th		3rd		2nd		1st		Test Year	
Cost	Inc.	Cost	Inc.	Cost	Inc.	Cost	Inc.	Cost	Inc.	Cost	Inc.
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)	(1)	(j)	(k)	(1)
	%		%		%		%		%		%

Kentucky Utilities Company

Case Number 7804

AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1000 KWH SOLD
For the Calendar Year 1975 Through 1979 and the 12 Months Ended January 31, 1980
(Total Company)

Account Number	Title of Accounts (a)	12 Month Ended					Test Year (g)
		Calendar Years Prior to Test Year				1st	
		5th (b)	4th (c)	3rd (d)	2nd (e)	(f)	
<u>Intangible Plant</u>							
301	Organization						
<u>Steam Production Plant</u>							
310	Land and land rights						
311	Structures and improvements						
312	Boiler plant equipment						
314	Turbogenerator units						
315	Accessory electric equipment						
316	Miscellaneous power plant equipment						
106	Completed construction - not classified						
	Total steam production plant						
<u>Hydraulic Production Plant</u>							
330	Land and land rights						
331	Structures and improvements						
332	Reservoirs, dams and waterways						
333	Water wheels turbines and generators						
334	Accessory electric equipment						
335	Miscellaneous power plant equipment						
336	Roads, railroads and bridges						
106	Completed construction - not classified						
	Total hydraulic production plant						

Account
NumberTitle of Accounts
(a)

12 Month Ended						Test Year (g)
Calendar Years Prior to Test Year						
5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)		

Other Production Plant

340 Land and land rights
 341 Structures and improvements
 342 Fuel holders, producers and accessories
 343 Prime movers
 344 Generators
 345 Accessory electric equipment
 346 Miscellaneous power plant equipment
 106 Completed construction - not classified
 Total other production plant

Total production plant

Transmission Plant

350 Land and land rights
 352 Structures and improvements
 353 Station equipment
 354 Towers and fixtures
 355 Poles and fixtures
 356 Overhead conductors and devices
 357 Underground conduit
 358 Underground conductors and devices
 359 Roads and trails
 106 Completed construction - not classified
 Total transmission plant

Distribution Plant

360 Land and land rights
 361 Structures and improvements
 362 Station equipment
 364 Poles, towers and fixtures
 365 Overhead conductors and devices
 366 Underground conduit
 367 Underground conductors and devices
 368 Line transformers
 369 Services
 370 Meters
 371 Installations on customers' premises
 372 Leased property on customers' premises
 373 Street lighting and signal systems
 106 Completed construction

Account Number

Title of Accounts
(a)

12 Month Ended
Calendar Years Prior to Test Year
5th (b) 4th (c) 3rd (d) 2nd (e) 1st (f)
Test Year (g)

General Plant
Land and Land rights
Structures and improvements
Office furniture and equipment
Transportation equipment
Stores equipment
Tools, shop and garage equipment
Laboratory equipment
Power operated equipment
Communication equipment
Miscellaneous equipment
Other tangible property
Completed construction - not classified
Total general plant

100.1 Total electric plant in service

1000 KWH Sold

Kentucky Utilities Company
Case Number 7804

STATEMENT OF ELECTRIC PLANT IN SERVICE

12 Months Ended January 31, 1980

(Total Company)

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
<u>Intangible Plant</u>						
301	Organization					
<u>Steam Production Plant</u>						
310	Land and land rights					
311	Structures and improvements					
312	Boiler plant equipment					
314	Turbogenerator units					
315	Accessory electric equipment					
316	Miscellaneous power plant equipment					
106	Completed construction - not classified					
	Total steam production plant					
<u>Hydraulic Production Plant</u>						
330	Land and land rights					
331	Structures and improvements					
332	Reservoirs, dams and waterways					
333	Water wheels turbines and generators					
334	Accessory electric equipment					
335	Miscellaneous power plant equipment					
336	Roads, railroads and bridges					
106	Completed construction - not classified					
	Total hydraulic production plant					

Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Beginning Balance (f)
	<u>Other Production Plant</u>					
340	Land and land rights					
341	Structures and improvements					
342	Fuel holders, producers and accessories					
343	Prime movers					
344	Generators					
345	Accessory electric equipment					
346	Miscellaneous power plant equipment					
106	Completed construction - not classified					
	Total other production plant					
	<u>Total production plant</u>					
	<u>Transmission Plant</u>					
350	Land and land rights					
352	Structures and improvements					
353	Station equipment					
354	Towers and fixtures					
355	Poles and fixtures					
356	Overhead conductors and devices					
357	Underground conduit					
358	Underground conductors and devices					
359	Roads and trails					
106	Completed construction - not classified					
	Total transmission plant					
	<u>Distribution Plant</u>					
360	Land and land rights					
361	Structures and improvements					
362	Station equipment					
364	Poles, towers and fixtures					
365	Overhead conductors and devices					
366	Underground conduit					
367	Underground conductors and devices					
368	Line transformers					
369	Services					
370	Meters					
371	Installations on customers' premises					
372	Leased property on customers' premises					
373	Street lighting and signal systems					
106	Completed construction - not classified					
	Total distribution plant					

<u>Account Number</u>	<u>Title of Accounts</u> <u>(a)</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending Balance</u>
	<u>General Plant</u>					
389	Land and land rights					
390	Structures and improvements					
391	Office furniture and equipment					
392	Transportation equipment					
393	Stores equipment					
394	Tools, shop and garage equipment					
395	Laboratory equipment					
396	Power operated equipment					
397	Communication equipment					
398	Miscellaneous equipment					
399	Other tangible property					
106	Completed construction - not classified					
	Total general plant					
100.1	Total electric plant in service					
	1000 KWH Sold					

Kentucky Utilities Company

Case Number 7804

ACCOUNT 913 - ADVERTISING EXPENSE

For the 12 Months Ended January 31, 1980

(Total Company)

(000's)

<u>Line</u> <u>No.</u>	<u>Item</u> <u>(a)</u>	<u>Sales or</u> <u>Promotional</u> <u>Advertising</u> <u>(b)</u>	<u>Institutional</u> <u>Advertising</u> <u>(c)</u>	<u>Conservation</u> <u>Advertising</u> <u>(d)</u>	<u>Rate</u> <u>Case</u> <u>(e)</u>	<u>Other</u> <u>(f)</u>	<u>Total</u> <u>(g)</u>
1.	Newspaper						
2.	Magazines and Other						
3.	Telvision						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						
8.	Amount Assigned to Ky. Retail						

Kentucky Utilities Company

Case Number 7804

ACCOUNT 930 - MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended January 31, 1980

(Total Company)

(000's)

<u>Line No.</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1.	Industry Association Dues	
2.	Stockholder and Debt Servicing Expenses	
3.	Institutional Advertising	
4.	Conservation Advertising	
5.	Rate Department Load Studies	
6.	Water, and Other Testing and Research	
7.	Directors' Fees and Expenses	
8.	Dues and Subscriptions	
9.	Miscellaneous	
10.	Total	
11.	Amount Assigned to Ky. Retail	

Kentucky Utilities Company

Case Number 7804

ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS

For the 12 Months Ended January 31, 1980

(Total Company)

(000's)

<u>Line No.</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1.	Donations	
2.	Civic Activities	
3.	Political Activities	
4.	Other	
5.	Total	
6.	Amount Assigned to Ky. Retail	

Kentucky Utilities Company

Case Number 7804

AVERAGE RATES OF RETURN

12 Months Ended January 31, 1980

<u>Line No.</u>	<u>Calendar Years Prior to Test Year</u> (a)	<u>Total Company Electric</u> (b)	<u>Ky. Retail</u> (c)	<u>Other Retail Jurisdictions</u> (d)	<u>FPC Wholesale</u> (e)
1.	Original Cost Net Investment:				
2.	5th Year				
3.	4th Year				
4.	3rd Year				
5.	2nd Year				
6.	1st Year				
7.	Test Year				
8.	Original Cost Common Equity:				
9.	5th Year				
10.	4th Year				
11.	3rd Year				
12.	2nd Year				
13.	1st Year				
14.	Test Year				

NOTE: Provide work papers in support of the above calculations.

Case Number 7804

SCHEDULE OF NUMBER OF EMPLOYEES, HOURS PER EMPLOYEE, AND AVERAGE WAGES
PER EMPLOYEE

Calendar Years		Production		Transmission		Distribution		Customer Accounts		Sales		Administrative and General		Construction		Total								
Prior to	<u>Test Year</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>	<u>No. Hrs.</u>	<u>Wages</u>							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)
5th Year																								
% Change																								
4th Year																								
% Change																								
3rd Year																								
% Change																								
2nd Year																								
% Change																								
1st Year																								
% Change																								
Test Year																								
% Change																								

NOTE: (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
(2) Show percent increase (decrease) of each year over the prior year on lines designated above "% Change."
(3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31 of each year and the last day of the test year.